

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS	WELL LOG	ELECTRIC LOGS	FILE X	WATER SANDS	LOCATION INSPECTED	SUB REPORT abd
DATE FILED	7-8-85					
LAND FEE & PATENTED	STATE LEASE NO		PUBLIC LEASE NO		U-47990	
INDIAN						
DRILLING APPROVED	7-15-85 - OIL					
SPUDDED IN						
COMPLETED:	PUT TO PRODUCING					
INITIAL PRODUCTION						
GRAVITY API						
GOR						
PRODUCING ZONES						
TOTAL DEPTH						
WELL ELEVATION						
DATE ABANDONED	OHA - Application Rescinded 8-13-86					
FIELD:	UNDESIGNATED					
UNIT:						
COUNTY:	GRAND					
WELL NO	USA 1-8LC		API #43-019-31191			
LOCATION	660' FNL	FT FROM (N) (S) LINE	658' FEL	FT FROM (E) (W) LINE	NE NE	1 4 - 1 4 SEC 8
TWP	RGE	SEC	OPERATOR			
26S	20E	8	COORS ENERGY COMPANY			



July 5, 1985

RECEIVED

State of Utah
Division of Oil, Gas & Mining
4241 State Office Bldg.
Salt Lake City, Utah 84114

JUL 08 1985

DIVISION OF OIL
GAS & MINING

Attn: Mr. Ron Firth

Dear Mr. Firth:

Attached please find one copy of our Application for Permit to Drill for your approval for the following well:

USA 1-8LC
Section 8, T26S-R20E
Grand County, Utah

Please let us know if you find you are in need of any further information or have any questions regarding this Application. Thank you.

Very truly yours,

R. L. Martin
Vice President
Oil & Gas Operations

RLM:kr

Attachments

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE*
(Other actions on
reverse side)

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
 DRILL ☒ DEEPEN ☐ PLUG BACK ☐
 b. Type of Well
 Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone ☐

2. Name of Operator

Coors Energy Company

3. Address of Operator

P.O. Box 467, Golden, Colorado 80402

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

660' FNL, 658' FEL, NE/4NE/4

At proposed prod. zone
same

14. Distance in miles and direction from nearest town or post office*

approx. 24 miles west of Moab

15. Distance from proposed*

location to nearest

property or lease line, ft.

(Also to nearest drilg. line, if any)

658'

16. No. of acres in lease

160

18. Distance from proposed location*
to nearest well, drilling, completed,
or applied for, on this lease, ft.

3000'

19. Proposed depth

8200'

17. No. of acres assigned
to this well20. Rotary or cable tools
rotary

21. Elevations (Show whether DF, RT, GR, etc.)

5870' GL

22. Approx. date work will start*

September, 1985

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
20"	16"	65.00#	400'	300 sx.
14-3/4"	10-3/4"	51.00#	4400'	300 sx.
9-5/8"	7"	23.00#	7700'	300 sx.
6-1/4"	4-1/2"	11.60#	8200'	300 sx.

- This well will be spudded in the Triassic Wingate Sand.
 - Estimated formation tops: Triassic Chinle 350', Moenkopi: 800', Coconino: 1200', Cutler: 1300', Hermosa: 2700', Paradox: 4000', Top Paradox Salt: 4350', Cane Creek: 7250', Base Paradox Salt: 7600', Mississippian: 7800', Devonian Elbert: 8175', TD: 8200'
 - Water zones are not anticipated below the Chinle Formation. Expected oil zones are in the Cane Creek and Mississippian Formations. Gas zones may be in the Mississippian Formation. Mineral zones are expected in the Salt-Paradox Formation.
 - Attached please find a copy of the pressure control device to be used on this well.*
 - The proposed circulating medium will be 3% KCL water or low-solids non-dispersed mud. A 20" surface hole will be drilled w/spud mud to 400', 14-3/4" intermediate casing will be drilled to 4400' w/air mist. 4% KCL gel and caustic soda as per mud company recommendations 9-5/8" intermediate drilled to 7700' w/salt saturated mud weight up to 11#/gal and increase mud weight as needed to contain high pres. salt water flows. 6-1/4" production hole to 8200'
- see page 2- -Over-

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed

Title

Date

(This space for Federal or State office use)

Permit No.

Approval Date

Approved by

Title

Date

Conditions of approval, if any:

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 7/15/85

BY: [Signature]

WELL SPACING: C-3 (B)

*See Instructions On Reverse Side

5. Lease Designation and Serial No.

U-47990

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

Long Canyon

8. Farm or Lease Name

USA

9. Well No.

1-8LC

10. Field and Pool, or Wildcat

Wildcat Undesignated

11. Sec., T., R., M., or Blk.
and Survey or Area

Sec. 8, T26S-R20E

12. County or Parrish

Grand

Utah

RECEIVED
JUL 08 1985

DIVISION OF OIL
GAS & MINING

Devonian

T 26 S , R 20 E , S.L.B. & M.

PROJECT
COORS ENERGY COMPANY

Well location, U.S.A. 1-8LC,
located as shown in the NE1/4 NE1/4
Section 8, T26S, R20E, S.L.B. & M.
Grand County, Utah.

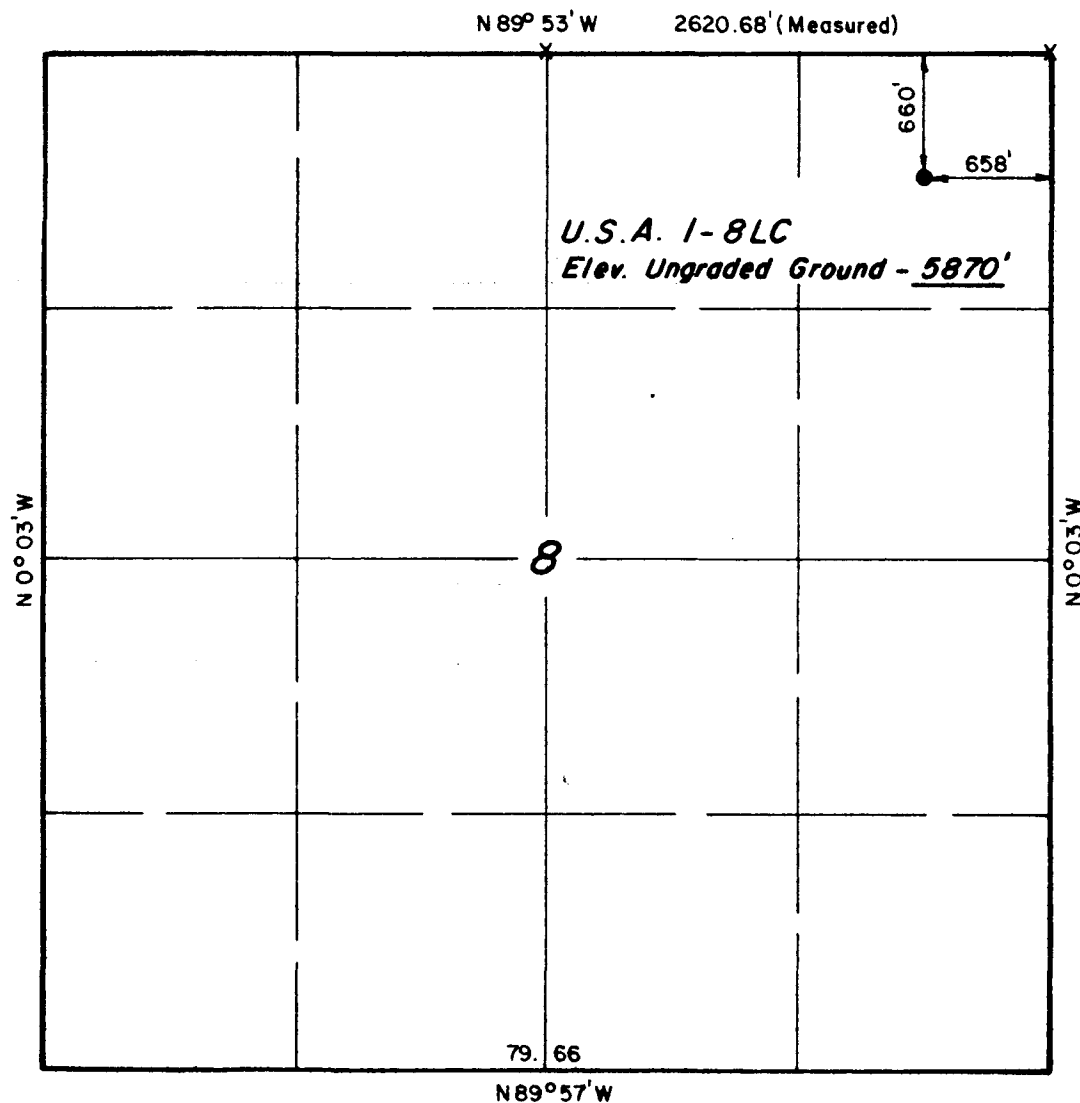


EXHIBIT "A"

RECEIVED

JUL 08 1985

DIVISION OF OIL
GAS & MINING



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

Jane Stewart

REGISTERED LAND SURVEYOR
REGISTRATION NO 3154
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
P.O. BOX Q ~ 85 SOUTH - 200 EAST
VERNAL, UTAH - 84078

SCALE	1" = 1000'	DATE	6/29/85
PARTY	BW RPGL RP	REFERENCES	GLO Plat
WEATHER	Hot / Clear	FILE	COORS

X = Section Corners Located

COORS ENERGY COMPANY

U.S.A. 1-8LC

SCALE: 1" = 50'
DATE: 6/29/85

EXISTING ROAD

5881.24'
C-11.4 TO Loc. GRADE
C-23.4 TO BOTTOM OF PIT.

5871.34'
C-1.5 TO Loc. GRADE
C-13.5 TO BOTTOM OF PIT.

Rock &
Soil
Spoils.

RESERVE PIT
PIT GRADE = 5857.88'

5877.43'
C-7.6 GRADE
C-19.6 TO PIT.

5867.20'
F-2.7 GRADE
C-9.3 PIT BOTTOM.

5864.38'
F-S.S.

5877.57'
C-7.7

5867.52'
F-2.4

5871.90'
C-2.0

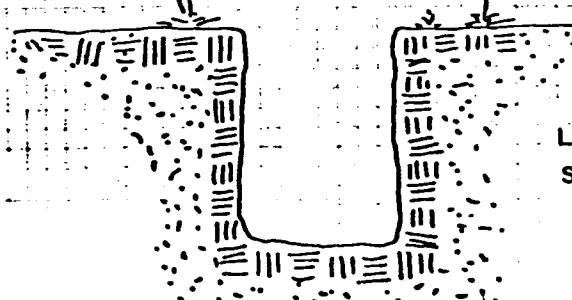
5866.96'
F-2.9

5864.07'
F-S.8

TOPSOIL & TREES

SOILS LITHOLOGY

No Scale



LIGHT. BROWN
SANDY CLAY

PROPOSED
ACCESS
ROAD

C
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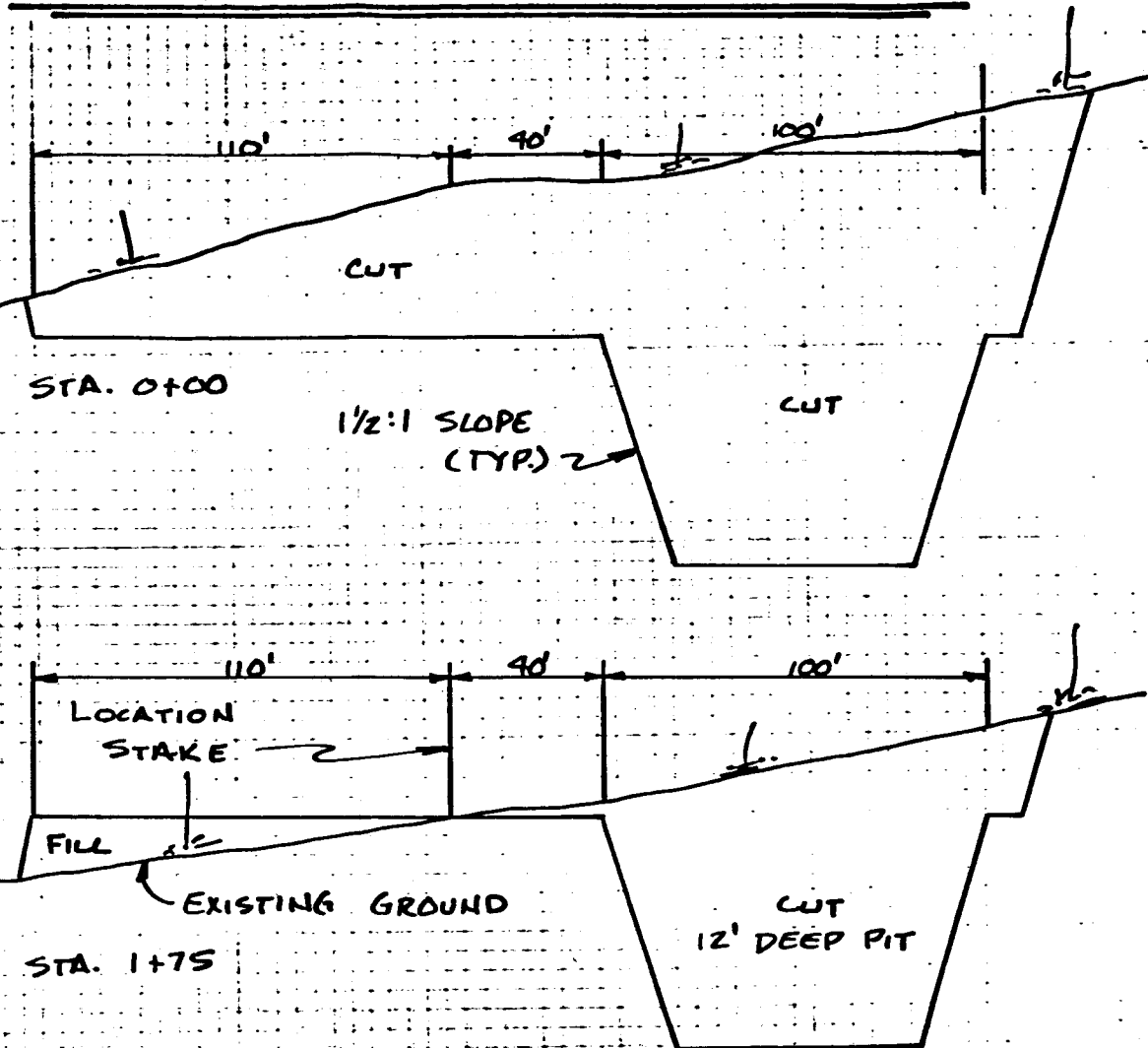
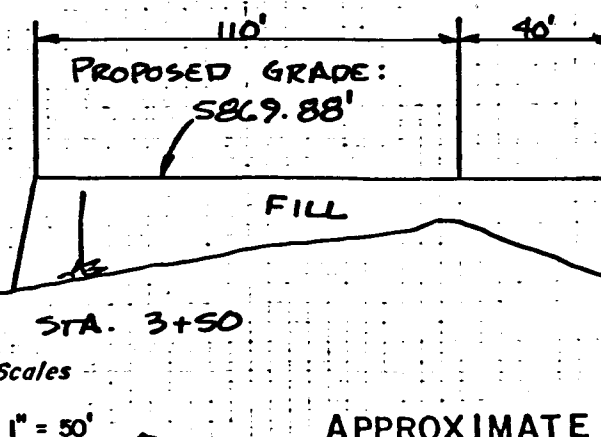


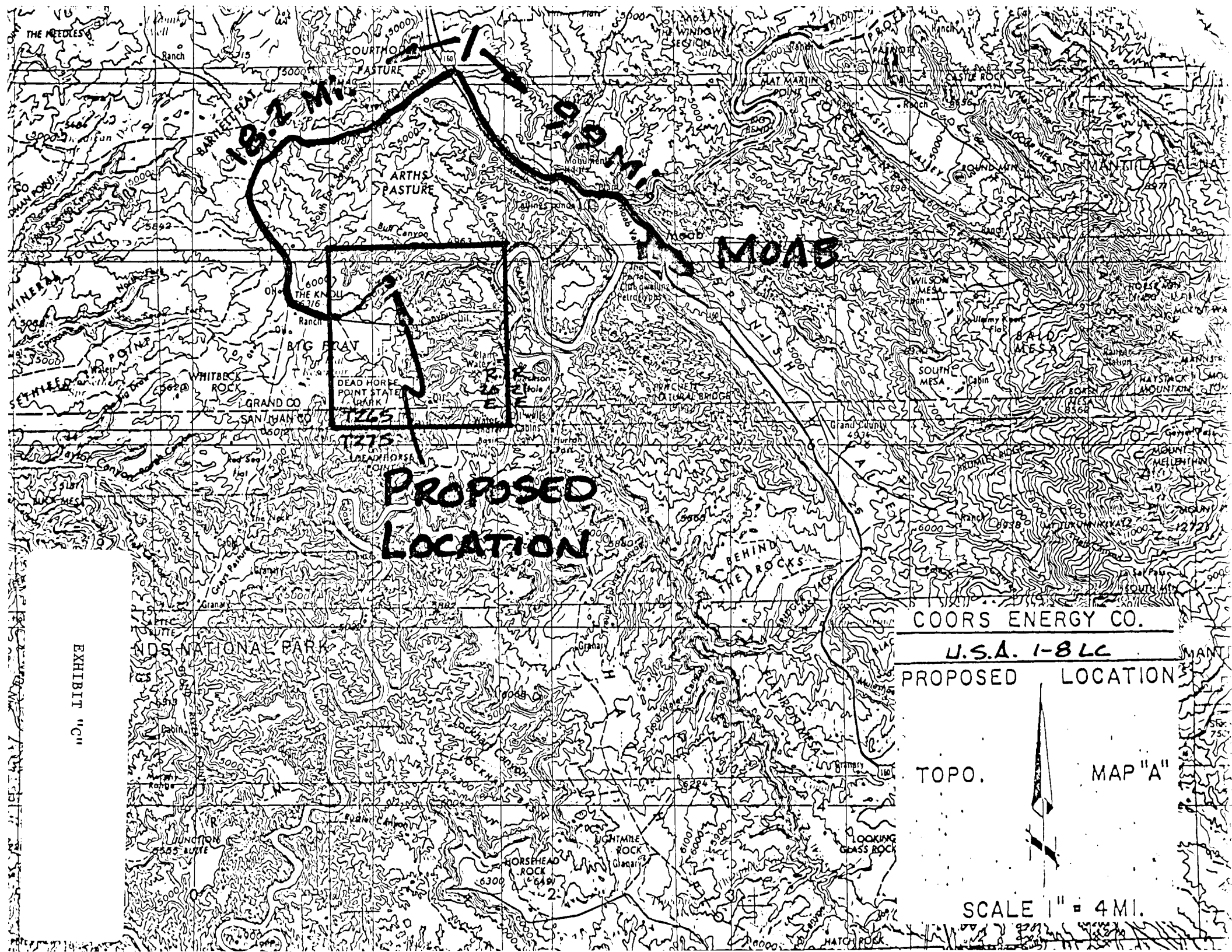
EXHIBIT "B"



APPROXIMATE YARDAGES

Cu. Yds. Cut - 8165 WITHOUT PIT.
17,455 WITH PIT.

Cu. Yds. Fill - 4,065
20% COMPACTION FACTOR



MOAB

PROPOSED
LOCATION

COORS ENERGY CO.

U.S.A. 1-8 LC

PROPOSED LOCATION

TOPO.

MAP "A"

SCALE 1" = 4 MI.

EXHIBIT "C"

U.S.A. 1-8LC
PROPOSED LOCATION

TOPO.

MAP "B"

SCALE 1" = 2000'

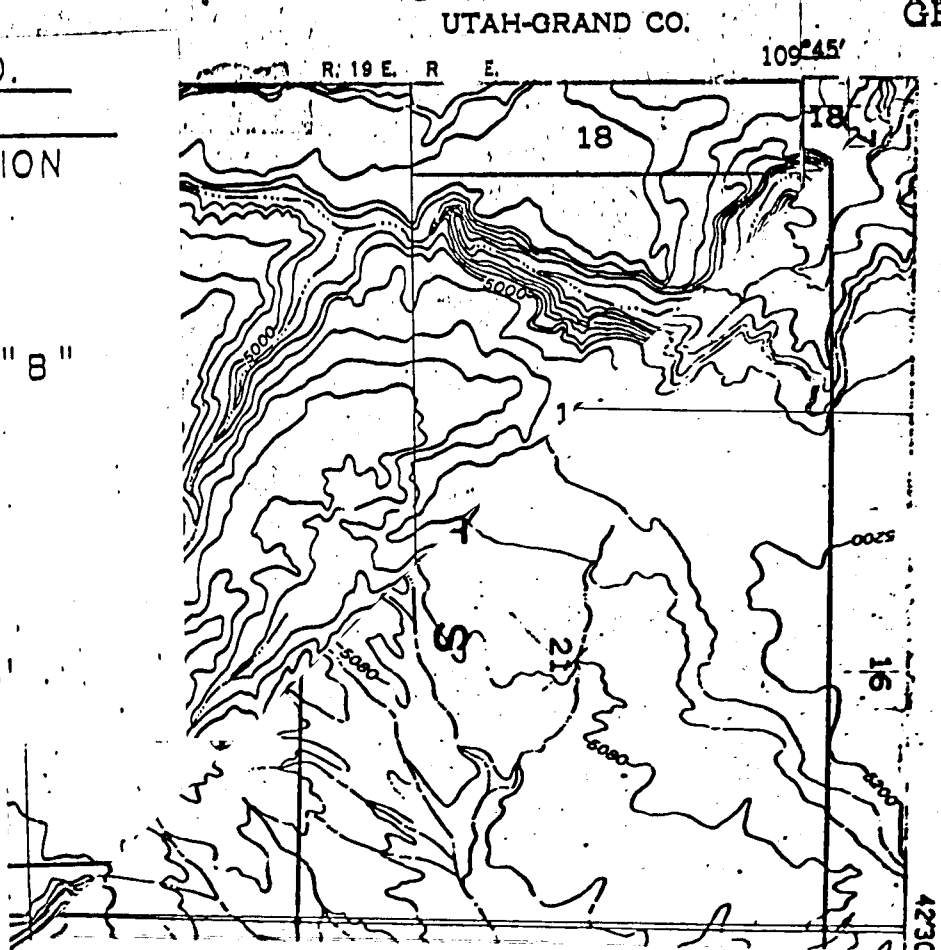


EXHIBIT "D"

COORS ENERO CO.

U.S.A. 1-8 LC
PROPOSED LOCATION

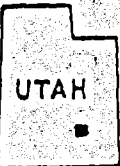
TOPO.

MAP "B"

SCALE 1" = 2000'

ROAD CLASSIFICATION

Light duty road, all weather, Improved surface
Unimproved road fair or dry weather



QUADRANGLE LOCATION

MOAB, UTAH

23.6 Mi. E

R 19 E
R 20 E

T 25 S

T 26 S

Proposed Access Road
200' E

PROPOSED LOCATION
U.S.A. 1-8 LC

1.4 Mi.

1.3 Mi.

1.7 Mi.

Houses Oil Well

The Knoll
VABM 6316

Little Valley Barn

Landing Strip

Reservoir

Valley

VABM
6145

MULTIPOINT SURFACE USE PLAN

COORS ENERGY COMPANY
COORS USA 1-8LC
NE/4NE/4, 660'FNL, 658'FEL
SECTION 8, T26S-R20E
GRAND COUNTY, UTAH

RECEIVED

JUL 08 1985

DIVISION OF OIL
GAS & MINING

Coors Energy Company will assure that this APD will be posted in the doghouse of the drilling rig during the drilling of this well. Also, a sign will be posted at the entrance to the location with the name of the well, operator and location description. We will notify the BLM in Moab, Utah 48 hours prior to beginning any work on this land. Prior to starting surface construction operations, the dirt contractor shall have a completed approved copy of this APD.

1. EXISTING ROADS - See Exhibits C, D

Access to Coors USA 1-10LC begins at the City of Moab, Utah and proceeds along the following roads with approximate mileages as indicated:

Proceed northerly from Moab, Utah on Highway 160 for 9.9 miles to the Junction of Seven-Mile Canyon Road, turn west and proceed southwesterly along this road approximately 13.7 miles to an intersection called the Knoll, turn east and proceed southeasterly along this road 1.4 miles to a State owned road, proceed along this road approx. 1.3 miles to a State roadway to the north, proceed northeasterly along this road 1.7 miles to the entrance of the access road to the south. See attached Exhibit D.

Coors Energy Company and our subcontractors will not use Long Canyon to access our wellsite as per BLM instructions.

Road maintenance from the County Road to the well will be provided by a Coors Energy Company subcontractor. Maintenance will consist of periodic grading and repairs to the surface. During summer months, a watering program will be used to control dust. Rain and other inclement weather may require repairs to turnouts, waterbars, etc.

Materials for upgrading the existing road will come from the immediate area of road improvement work. Improvement and maintenance of existing roads will be done according to BLM, Class III Road Standards.

Upgraded existing roads will be constructed with an 16' road surface with bar ditches and water bars where required. Not over 20' will be cleared to upgrade any existing roads.

2. PLANNED ACCESS ROAD - See Exhibits C, D

The access road will be approximately 200'+ long. It is to be upgraded to 16' wide and not extending to more than 20' wide, (8-10' on either side of the centerline). This access road will be built to Class III Road Standards. The access road will require low water drainage and dips. Back slopes along the cut areas of the road will be 1-1/2 - 1/4% and terraced where cuts are needed. There are no fences encountered along the proposed access road. Roads will be smooth, free of ruts, chuckholes, rocks, slides, etc. Shoulders will be straight and have no berms. In the event this well would need to be P&A'd, the access road will be rehabilitated within 60 days of dismantling the rig, but in the event the road could not be rehabilitated within 60 days, the BLM in Moab will be notified.

Any trees encountered in the construction of the access road, will be dozed to the side of the road.

3. LOCATION OF EXISTING WELLS - See Exhibit E

Within a 2-mile radius of this proposed well, there are 7 P&A wells:

Matthew Federal 1
Davis Oil Co.
Sec. 4, T26S-R20E

Matthew Federal 2
Davis Oil Co.
Sec. 4, T26S-R20E

Skyline Federal 8-44
Minerals Management Co.
Sec. 8, T26S-R20E

No name available
J.E. Roberts Jr.
Sec. 9, T26S-R20E
2134'FSL, 603'FWL

Dry Fork #1
J.E. Roberts Jr.
Sec. 3, T26S-R20E

Big Flat Unit #7
Calvert Western Exploration
Sec. 6, T26S-R20E

Long Canyon Unit #2
Southern Natural Gas Co.
Sec. 9, T26S-R20E

Within a 2-mile radius of this proposed well, there are 2 producing wells:

Long Canyon Unit #1
Southern Natural Gas Co.
Sec. 9, T26S-R20E

Skyline Unit 1
Davis Oil
Sec. 5, T26S-R20E

With the exception of the above mentioned wells, there are no:

- a) known water wells
- b) temporarily abandoned wells
- c) disposal wells
- d) injection wells
- e) monitoring or observation wells

Mr. Gardner from the State of Utah, Division of Water Rights in Price, Utah, informed us that there are no water wells within a 2-mile radius of this location.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES - See Exhibits B

Coors does not request approval of surface production facilities at this time. Coors will submit a surface facility plan when the well is proven to be commercial.

For drilling operations, a survey map (Exhibit B) showing rig layout is attached. All necessary surface equipment will be spotted on the 250' x 350' wellsite pad. Access to the wellpad will be from the east.

All garbage and trash will be placed in a trash cage and hauled to an appropriate disposal site. No burning of any trash is expected at the location, however in the event that burning may be required, a permit will be obtained from the State Fire Warden at 801-259-6316.

Any disturbed area not required for producing operations will be restored according to BLM instructions. The production facilities will create no additional surface disturbances. The drilling waste pit will be fenced on three sides with 36" woven sheep wire with three strands of barbed wire on top of the sheep wire. Upon completion of the drilling operations, the fourth side will be fenced. The reserve pit will be lined with clay or plastic to prevent seepage if the BLM representative so determines it necessary during the construction phase of the operation. The mud reserve pit, which is approximately 250' x 100', will be located on the northwest side of the drill site.

Trash, litter and construction materials will not be littered along road ways or drilling sites.

If the inspector finds it necessary to line the pit during the construction phase of drilling, produced waste water will be confined to a lined pit, for a period not to exceed ninety days after initial production. During this period, an application for approval of a permanent disposal method and location, along with a required water analysis, will be submitted to the District Manager's office.

5. LOCATION AND TYPE OF WATER SUPPLY

The source of the water used to drill this well will be hauled in approximately 37 miles by truck from the Colorado River from the north side of Moab. Coors will ensure that the water hauler has an approved State of Utah permit to appropriate water prior to beginning drilling operations. Approximately 6000 bbls of water will be required to drill and complete this well.

6. SOURCE OF CONSTRUCTION MATERIALS - See Exhibit B

The top 6-12" of topsoil will be removed from the well pad and stored on the sides of the location. Fill materials needed to construct the location will be derived locally from cuts needed to build the well pad.

7. METHODS FOR HANDLING WASTE DISPOSAL

A mud reserve pit will be constructed for containment of drill cuttings as well as all drilling fluids and produced fluids. Produced waste fluids will be contained in a pit constructed in a chemical-type toilet. All trash and garbage will be placed in a trash cage and hauled from the location to an appropriate disposal site. The pit will be fenced as per statements in Section 4.

During production operations, all produced waters will be disposed of according to NTL-2B stipulations.

The reserve pit will be lined. An inspection will determine whether to use liner or bentonite. The reserve pit will be allowed to dry and then back-filled and the area restored according to BLM requirements upon completion of the well.

8. ANCILLARY FACILITIES

None will be required.

9. WELL SITE LAYOUT - See Exhibit B

Attached is a diagram showing the proposed wellsite layout.

10. PLANS FOR RESTORATION OF SURFACE - See Exhibit B

Surface vegetation scraped off during drill site preparation will be removed and stock-piled prior to topsoil removal. Upon abandonment, vegetation will be redistributed as a mulching agent over the well site. The top 6-12" of topsoil will be removed from the well pad and stored on the east side of the location as shown on Exhibit "B". Rock and soil spoils will be stored on the west side of the location.

The reserve pit and that part of the location not needed for production operations will be reclaimed within 90 days after completion of the well.

The original surface will be reconstructed as close as possible upon abandonment. The stock-piled topsoil will be spread over the area. Any solid waste material present prior to abandonment will be removed from the location. Any oil or deleterious liquids will be removed by a pump truck to an approved disposal area.

Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all trash will be removed. The access road will also be blocked during restoration. Prior to reseeding, all disturbed areas, including the access road will be scarified and left with a rough surface. The reserve pit and that part of the location not needed for production will be reclaimed in the same manner outlined in this section. The rehabilitated access road will be blocked to prevent any vehicle use.

Before starting reclamation work that involves earthmoving equipment, and upon completion of restoration measures, Coors Energy Company will notify the Grand Resource Area at 801-259-8193, 48 hours in advance.

All disturbed areas will be recontoured to the approximate natural contours and the stockpiled topsoil will be evenly distributed over the disturbed areas.

Coors Energy Company will use a seed mixture that will be supplied to us upon approval of this APD. We will notify the BLM 48 hours before rehabilitating the surface. This mixture will be broadcast or drilled and planted at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

11. OTHER INFORMATION - See Exhibits F, G, H, I

The Coors USA 1-8LC is located approximately 23.6 miles west of Moab, Utah. There are no occupied dwellings within approximately two (2) miles of the well site. The area surrounding this location is a desert to semi-desert environment. Coors Energy Company received an archeological clearance 7/1/85, a copy of the report is attached. (See Exhibit "I"). If any cultural resources are found during construction, all work will stop and the BLM will be notified.

It is Coors Energy Company's policy that no Coors' employees nor subcontractors carry firearms on access roads nor onto the location during drilling or well completion operations of this well. No alcoholic beverages or drugs will be permitted on Coors' operations on this property, nor will any prospecting will be allowed on Coors' operations.

A copy of the BLM Stipulations is attached to the application, (See Exhibit "H") and our Special BOP Instructions, (See Exhibit "F").

All operators, subcontractors and vendors will be confined to established roads and wellsites.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.

The BLM in Moab will be notified of construction work, spud, suspended operations, resumption of operations, monthly report of operations, spills, blowouts, leaks, etc, MI replacement rig for completion operations, first production, well abandonment, and venting of gas.

If the well needs to be plugged, a regulation marker will be constructed to standard oilfield dimensions and completed according to the attached BLM specifications.

Drilling rig can move in and out only on weekdays.

BLM ROW: Note that on the stipulations attached dated 6/27/85, it was requested that Coors contact Mr. Jim Ward at 801-259-8193 for Federal ROW information. On 7/2/85, Mr. Ralph Nelms contacted him and at that time, Mr. Ward expressed his opinion that after further research, Coors did not need a Federal ROW for this well because new road construction would only be required on existing Coors' leased land in Sections 8 and 17 of T26S-R20E.

12. CONTACT

Mr. Jake Amen
Field Supervisor
Oil & Gas Operations
Coors Energy Company
825 First Avenue
Grand Junction, Colorado 81501
(303) 245-8672

Mr. R. L. Martin
Vice President
Oil & Gas Operations
Coors Energy Company
PO Box 467
Golden, Colorado 80402
(303) 278-7030

13. CERTIFICATION

See Exhibit "G"

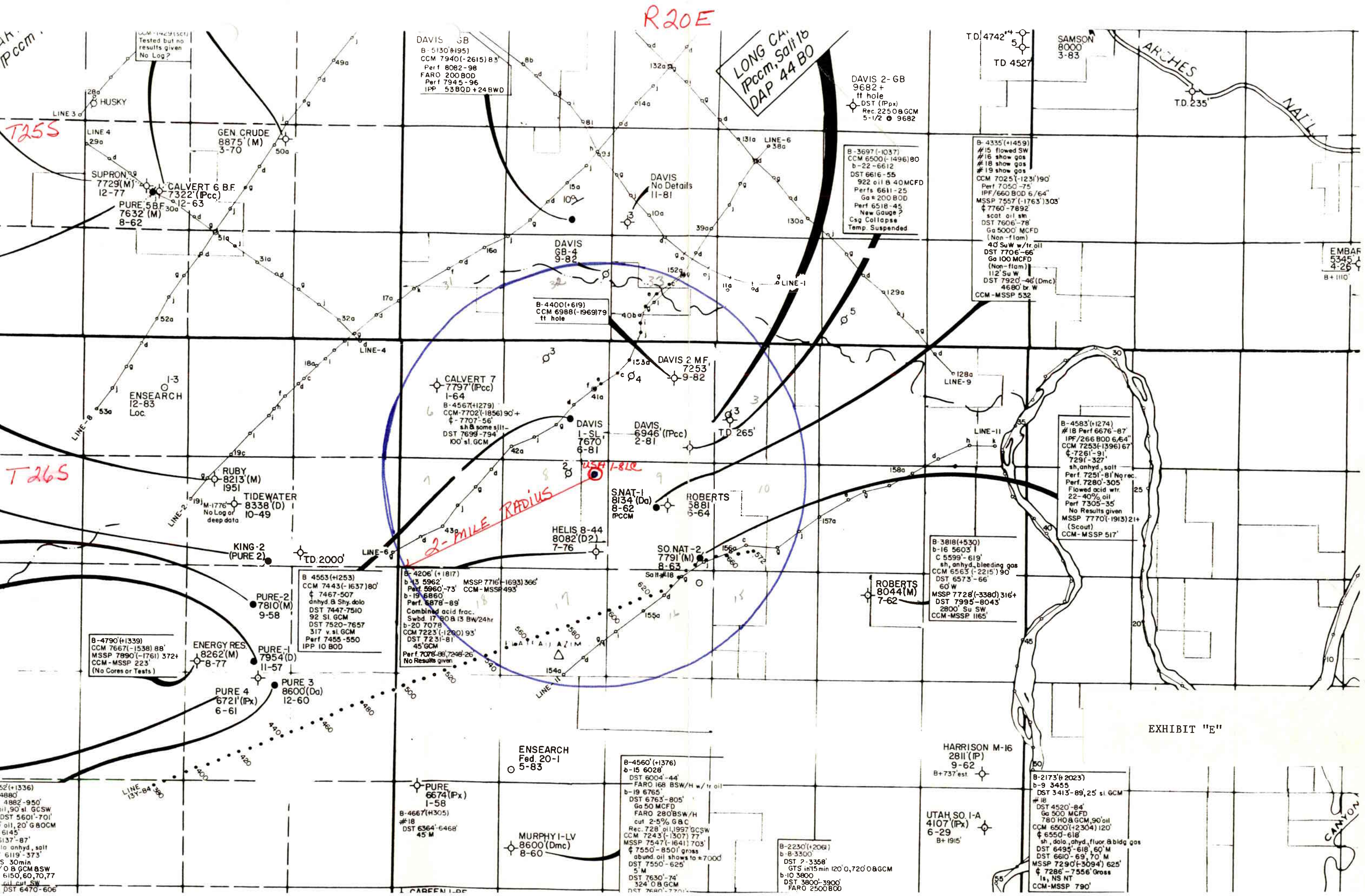
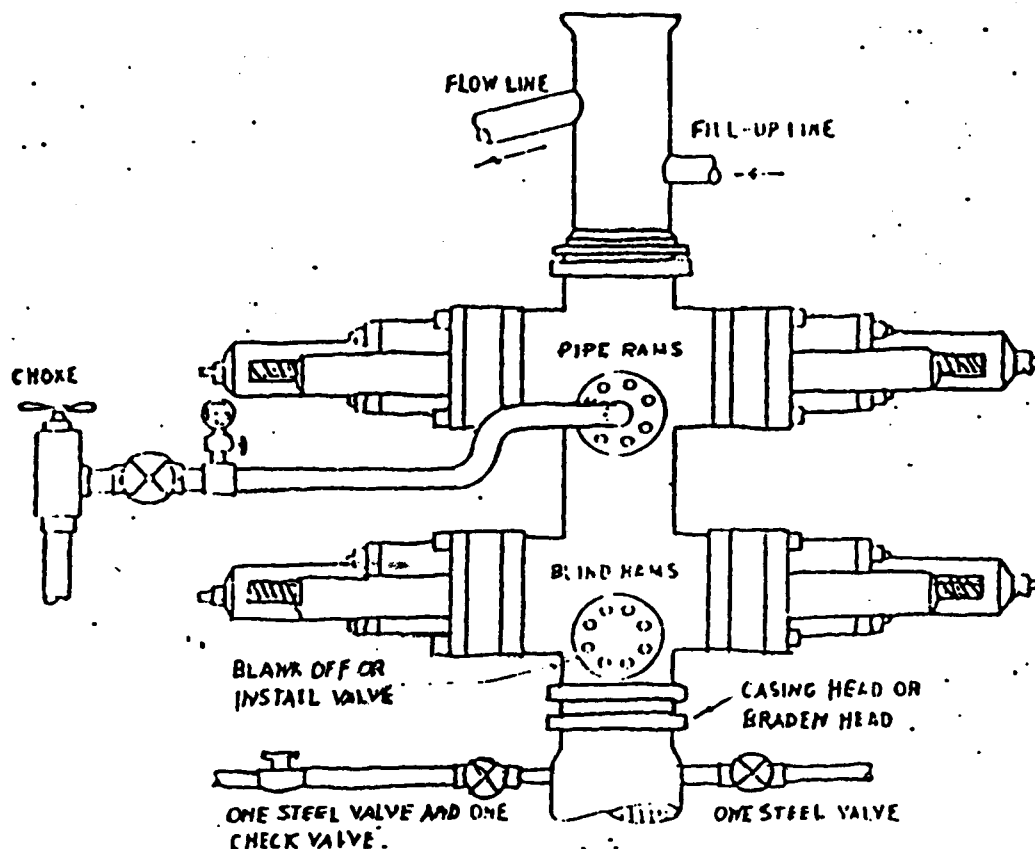


EXHIBIT "E"

CANYON

SPECIAL BOP INSTRUCTIONS



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- A. One double gate blowout preventer with lower rams blind and upper rams for pipe, all hydraulically controlled, opening on preventers between rams.
- B. Opening to be flanged, studded or clamped and at least two inches diameter.
- C. All connections from operating manifold to preventers to be all steel hose or tube a minimum of one inch in diameter.
- D. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the preventers.
- E. All connections to and from preventers to have a pressure rating equivalent to that of the BOPs.
- F. Manual controls to be installed before drilling cement plug.
- G. Valve to control flow through drill pipe to be located on Rig floor.
- H. Choke may be either positive or adjustable.
A choke spool may be used between preventers.
- I. Casinghead or bradenhead flange will be 10" API Series 900
- J. After each string of casing is run, BOP and casinghead will be tested to 1000 psi.
Pipe ram operation will be checked every 24 hours & blind rams checked every trip.



CERTIFICATION BY OPERATOR'S FIELD REPRESENTATIVE

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access road; that I am familiar with the conditions that presently exist; that the statements made in this plan are, to the best of my knowledge, true, complete, and correct; and that the work associated with this plan will be carried on by Adolph Coors Company, and its contractors and subcontractors, in conformity with the plan and the terms and conditions under which it is approved.

Date

7-5-85


R. L. Martin

Vice President, Oil & Gas Production

kr

UT-060-3160-1
(April 1984)

BUREAU OF LAND MANAGEMENT
MOAB DISTRICT
CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company Coors Energy Co Well No. 1-86c
Location: Sec. 8 T. 26 S R. 20 E Lease No. U-47990
Onsite Inspection Date 06/27/85

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops:

Triassic Wingate Sand:	Spud	Top Paradox Salt:	4350'
Triassic Chinle:	350'	Cane Creek:	7250'
Moenkopi:	800'	Base Paradox Salt:	7600'
Coconino:	1200'	Mississippian:	7800'
Outler:	1300'	Devonian Elbert:	8175'
Hermosa:	2700'	TD:	8200'
Paradox:	4000'	(approximate footages)	

2. Estimated Depth at Which Oil, Gas, Water, or Mineral-Bearing Zones Are Expected to Be Encountered:

	<u>Formation</u>	<u>Depth</u>
Expected oil zones:	Cane Creek	7250'
	Mississippian	7800'
Expected gas zones:	Inert gas in Mississippian	7800'
Expected water zones:	No fresh water zones	
	Over pressured salt water flows:	6000-7600'
Expected mineral zones:	Salt-Paradox:	4350-7600'

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth, cased and cemented. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment: Well will be drilled from 400' to 4400' w/air mist. Therefore, a rotating air head will be used with 3000# WP 6000 psi test wellhead equipment. From 4400-7600' high pressured salt water flows may be encountered. Therefore, 5000# WP 10,000# test wellheads and BOP's will be installed. A double ram BOP w/blind rams and pipe rams will be used with a TIW valve on surface.

2.

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventors will be pressure-tested before drilling casing cement plugs. ~~The Resource Area will be notified _____ days in advance when pressure tests are to be conducted.~~

4. Casing Program and Auxiliary Equipment:

0-400' 16" 65.00# H-40 STC
400-4400' 10-3/4" 51.00# K-55 STC
4400-7700' 7" 23# N-80 LTC
7700-8200' 4-1/2" 11.60# N-80 LTC

Anticipated cements tops will be reported as to depth, not the expected number of sacks. The Resource Area (will/~~will not~~) be notified _____ days in advance when running casing strings and cement.

5. Mud Program and Circulating Medium: 20" surface hole drilled w/spud mud to 400', 14-3/4" intermediate casing drilled to 4400' w/air mist, 4% KCL gel and caustic soda as per mud company recommendations. 9-5/8" intermediate drilled to 7700' w/salt saturated mud weight up to 11#/gal and increase mud weight as needed to contain high pres. salt water flows. 6-1/4" production hole to 8200' w/9-9.5#/gal low solids non-dispersed mud. Blooie line will be misted to reduce fugitive dust when air drilling.

6. Coring, Logging, and Testing Program: DST may be run in Cane Creek or Mississippian. Conventional logs will be run from 4000-8200'. FDC-CNL-GR-SP-DIL, etc.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cutting, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards: 400-4400' has potential for severe lost circulation. Therefore, 14-3/4" hole will be drilled with air mist. 4400-7600' has potential for over pressured salt water flows in Paradox Salt. 7600-8200' is under balanced in the Mississippian, potential for lost circulation and inert gas kicks is present.

3.

8. Anticipated Starting Dates and Notification of Operations:

The operator will contact the Grand Resource Area at 801-259-8193, forty-eight (48) hours prior to beginning any dirt work on this location.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.

The spud date (will will not) be reported orally to the Area Manager within a minimum of twenty-four (24) hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed directly with the BLM District Office, P.O. Box 970, Moab, Utah 84532.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.

If the replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed for prior approval of the District Manager, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved by the District Petroleum Engineer.

Should the well be successfully completed for production, the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.

A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be

4. obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed as follows: to standard oil field dimensions

The top of the marker will be closed or capped.

The following minimum information will be permanently placed on the marker plate, cap or beaded-on with a welding torch:

"Fed" or "Ind", as applicable, "Well Number, location by 1/4 1/4 section, township and range". "Lease Number".

Other: _____

B. THIRTEEN-POINT SURFACE USE PLAN

1. Existing Roads:

- a. Location of proposed well in relation to town or other reference point:

Approx. 24 miles west of Moab

- b. Proposed route to location:

See our Multipoint Plan on Page 1 and Exhibits C & D

- c. Plans for improvement and/or maintenance of existing roads:

upgrade to class III BLM Road Standards

* need to contact Jim Ward - 801-251-8193 for Federal ROW info

5.

d. Other: _____

2. Planned Access Roads:

a. The maximum total disturbed width will be 20 feet.

b. Maximum grades:

c. Turnouts: none planned

d. Location (centerline):

e. Drainage: low water and drainage dips

f. Surface Materials:

g. Other: built to class III standards
similar to ROW.

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.

The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells:

See Exhibit G and our Multipoint Plan on Page 2

6.

4. Location of Tank Batteries and Production Facilities:

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows:

Coors does not request approval of surface production facilities at this time.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

All loading lines and valves will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement

✓ 5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from:
Colorado River north of Moab by truck, see Page 4 of our Multipoint Plan.

7. A temporary water use permit for this operation will be obtained from the Utah State Engineer:

Our water hauler will have this permit.

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from:

Fill materials needed to construct the location will be derived locally from cuts needed to build the well pad.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3. Source of construction material (will/will not) be located on lease.

7. Methods of Handling Water Disposal:

The reserve pit (will/will not) be lined" if the BLM representative or determines it necessary during the construction phase of the operation

Three sides of the reserve pit will be fenced with 3-strand barbed wire before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

All trash must be contained and disposed of by: trash cage

If burning is required, a permit will be obtained from the State Fire Warden 801-259-6316.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

Other: lining will be necessary if after an inspection of the pit during construction, the inspector finds it necessary

8. Ancillary Facilities:

Camp facilities (will/will not) be required. They will be located:

9. Well Site Layout:

The reserve pit will be located:

to the northwest

The top 6 to 12 inches of soil material will be removed from the location and stockpiled separately on

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be ~~from~~:

enter from the east of station 7

The trash pit will be located:

10. Plans for Restoration of Surface:

Immediately upon completion of drilling, the location, and surrounding areas will be cleared of all remaining debris, materials, trash, and junk not required for production.

Before any dirt work to restore the location and surrounding area will be cleared of all remaining debris, materials, trash and junk not required for production.

The operator or his contractor (will/will not) notify the Ground Resource Area at 801-259-8193 forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

All disturbed areas will be recontoured to the approximate natural contours.

The stockpiled topsoil will be evenly distributed over the disturbed areas.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used:

Supplied upon submission of APD; will
be on the appraisal / or

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Additional Requirements:

11. Surface and Mineral Ownership:

Federal surface and minerals ownership, lease #U-47990

12. Other Information:

There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.

The dirt contractor will be provided with an approved copy of the surface use plan.

A cultural resource clearance (~~will~~/will not) be required before any construction begins. If any cultural resources area found during construction, all work will stop and the Area Manager will be notified.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. Leessee's Operator's Representative and Certification

Representative:

Name: _____

Address: _____

Phone No: _____

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by: _____ and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date Name and Title

ONSITE

DATE: 06/27/85

PARTICIPANTS:

Jeff Robbins
John Allen

TITLES:

BLM
Coors Energy Co.

Your contact with the District Office is: Greg Noble

Office Phone: 801-259-6111

City: Moab

State: Utah

Resource Area Manager's address and contacts are:

Address: Box M, Sand Flats Rd, Moab, Utah

Your contact is: JEFF Robbins

Office Phone: 801-259-8193

Coors Energy Company
Well No. Long Canyon USA 1-8LC
NENE Sec. 8, T. 26 S., R. 20 E.
Grand County, Utah
Lease U-47990

CONDITIONS OF APPROVAL

A. DRILLING PROGRAM

1. Cement will be to surface behind surface casing.
2. Any casing liner will have at least 100' overlap.
3. All casing strings will be tested to .2 psi/ft., or 1000 psi, whichever is greater.
4. All pressure tests will be recorded in the driller's log.

OPERATOR Good Energy Co. DATE 7-11-85
WELL NAME U.S.A. 1-82C
SEC NE NE 8 T 26S R 20E COUNTY Grand

43-019-31191
API NUMBER

Lease
TYPE OF LEASE

CHECK OFF:



PLAT



BOND



NEAREST WELL



LEASE



FIELD



POTASH OR
OIL SHALE

PROCESSING COMMENTS:

NO other wells within 1000'

Need water permit

APPROVAL LETTER:

SPACING:



A-3

UNIT



c-3-a

CAUSE NO. & DATE



c-3-b



c-3-c

STIPULATIONS:

1- Water

2- Potash stip. (Rule 6-23)



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

July 15, 1985

Coors Energy Company
P. O. Box 467
Golden, Colorado 80402

Gentlemen:

Re: Well No. USA 1-8LC - NE NE Sec. 8, T. 26S, R. 20E
660' FNL, 658' FEL - Grand County, Utah

Approval to drill the above-referenced oil well is hereby granted in accordance with Rule C-3 (b), General Rules and Regulations and Rules of Practice and Procedure, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water.
2. Special attention is directed to compliance with Rule C-23 of the General Rules and Regulations and Rules of Practice and Procedure which prescribes drilling procedures for designated potash areas.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.
4. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.

Page 2
Coors Energy Company
Well No. USA 1-8LC
July 15, 1985

5. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-019-31191.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals

RECEIVED

AUG 07 1986

**3162 (U-065)
(U-47990)**

**DIVISION OF OIL
GAS & MINING**

**Moab District
P. O. Box 970
Moab, Utah 84532**

AUG - 6 1986

**Coors Energy Company
P. O. Box 467
Golden, CO 80402**

081106

**Re: Rescinding Application for
Permit to Drill
Well No. USA 1-8LC
Sec. 8, T. 26 S., R. 20 E.
Grand County, Utah
Lease U-47990**

Gentlemen:

The Application for Permit to Drill the referenced well was approved on July 18, 1985. Since that date, no known activity has transpired at the approved location.

Applications for permit to drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application.

Should you intend to drill this location at a future date, a new application for permit to drill must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals at (801) 259-6111.

Sincerely,

/S/ GENE NODINE

District Manager

cc:

**State of Utah, Division of Oil, Gas and Mining ✓
Grand Resource Area**

bcc:

U-942, Utah State Office

CFreudiger/cf 8/5/86



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

August 13, 1986

Coors Energy Company
P.O. Box 467
Golden, Colorado 80402

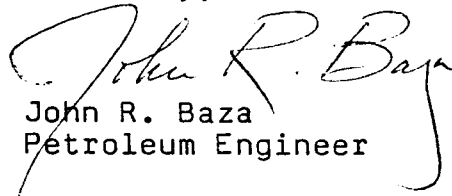
Gentlemen:

RE: Well No. U.S.A. # 1-8LC, Sec.8, T.26S, R.20E,
Grand County, Utah, API NO. 43-019-31191

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,


John R. Baza
Petroleum Engineer

sb
cc: BLM-Moab
D. R. Nielson
R. J. Firth
Well file
0278T-94

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS	WELL LOG	ELECTRIC LOGS	FILE X	WATER SANDS	LOCATION INSPECTED	SUB REPORT abd
DATE FILED	7-8-85					
LAND FEE & PATENTED	STATE LEASE NO		PUBLIC LEASE NO		U-47990	
INDIAN						
DRILLING APPROVED	7-15-85 - OIL					
SPUDDED IN						
COMPLETED:	PUT TO PRODUCING					
INITIAL PRODUCTION						
GRAVITY API						
GOR						
PRODUCING ZONES						
TOTAL DEPTH						
WELL ELEVATION						
DATE ABANDONED	OHA - Application Rescinded 8-13-86					
FIELD:	UNDESIGNATED					
UNIT:						
COUNTY:	GRAND					
WELL NO	USA 1-8LC		API #43-019-31191			
LOCATION	660' FNL	FT FROM (N) (S) LINE	658' FEL	FT FROM (E) (W) LINE	NE NE	1 4 - 1 4 SEC 8
TWP	RGE	SEC	OPERATOR			
26S	20E	8	COORS ENERGY COMPANY			



July 5, 1985

RECEIVED

State of Utah
Division of Oil, Gas & Mining
4241 State Office Bldg.
Salt Lake City, Utah 84114

JUL 08 1985

DIVISION OF OIL
GAS & MINING

Attn: Mr. Ron Firth

Dear Mr. Firth:

Attached please find one copy of our Application for Permit to Drill for your approval for the following well:

USA 1-8LC
Section 8, T26S-R20E
Grand County, Utah

Please let us know if you find you are in need of any further information or have any questions regarding this Application. Thank you.

Very truly yours,

R. L. Martin
Vice President
Oil & Gas Operations

RLM:kr

Attachments

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE*
(Other actions on
reverse side)

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
 DRILL ☒ DEEPEN ☐ PLUG BACK ☐
 b. Type of Well
 Oil Well ☒ Gas Well ☐ Other ☐
 Single Zone ☒ Multiple Zone ☐

2. Name of Operator

Coors Energy Company

3. Address of Operator

P.O. Box 467, Golden, Colorado 80402

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

660' FNL, 658' FEL, NE/4NE/4

At proposed prod. zone
same

14. Distance in miles and direction from nearest town or post office*

approx. 24 miles west of Moab

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drilg. line, if any)

658'

16. No. of acres in lease

160

17. No. of acres assigned
to this well18. Distance from proposed location*
to nearest well, drilling, completed,
or applied for, on this lease, ft.

3000'

19. Proposed depth

8200'

20. Rotary or cable tools
rotary

21. Elevations (Show whether DF, RT, GR, etc.)

5870' GL

22. Approx. date work will start*

September, 1985

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
20"	16"	65.00#	400'	300 sx.
14-3/4"	10-3/4"	51.00#	4400'	300 sx.
9-5/8"	7"	23.00#	7700'	300 sx.
6-1/4"	4-1/2"	11.60#	8200'	300 sx.

- This well will be spudded in the Triassic Wingate Sand.
 - Estimated formation tops: Triassic Chinle 350', Moenkopi: 800', Coconino: 1200', Cutler: 1300', Hermosa: 2700', Paradox: 4000', Top Paradox Salt: 4350', Cane Creek: 7250', Base Paradox Salt: 7600', Mississippian: 7800', Devonian Elbert: 8175', TD: 8200'
 - Water zones are not anticipated below the Chinle Formation. Expected oil zones are in the Cane Creek and Mississippian Formations. Gas zones may be in the Mississippian Formation. Mineral zones are expected in the Salt-Paradox Formation.
 - Attached please find a copy of the pressure control device to be used on this well.*
 - The proposed circulating medium will be 3% KCL water or low-solids non-dispersed mud. A 20" surface hole will be drilled w/spud mud to 400', 14-3/4" intermediate casing will be drilled to 4400' w/air mist. 4% KCL gel and caustic soda as per mud company recommendations 9-5/8" intermediate drilled to 7700' w/salt saturated mud weight up to 11#/gal and increase mud weight as needed to contain high pres. salt water flows. 6-1/4" production hole to 8200'
- see page 2- -Over-

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed

Title

Date

(This space for Federal or State office use)

Permit No.

Approved by

Title

Conditions of approval, if any:

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 7/15/85

BY: [Signature]

WELL SPACING: C-3 (B)

*See Instructions On Reverse Side

5. Lease Designation and Serial No.

U-47990

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

Long Canyon

8. Farm or Lease Name

USA

9. Well No.

1-8LC

10. Field and Pool, or Wildcat

Wildcat Undesignated

11. Sec., T., R., M., or Blk.
and Survey or Area

Sec. 8, T26S-R20E

12. County or Parrish

Grand

Utah

RECEIVED
JUL 08 1985

DIVISION OF OIL
GAS & MINING

Devonian

T 26 S , R 20 E , S.L.B. & M.

PROJECT
COORS ENERGY COMPANY

Well location, U.S.A. 1-8LC,
located as shown in the NE1/4 NE1/4
Section 8, T26S, R20E, S.L.B. & M.
Grand County, Utah.

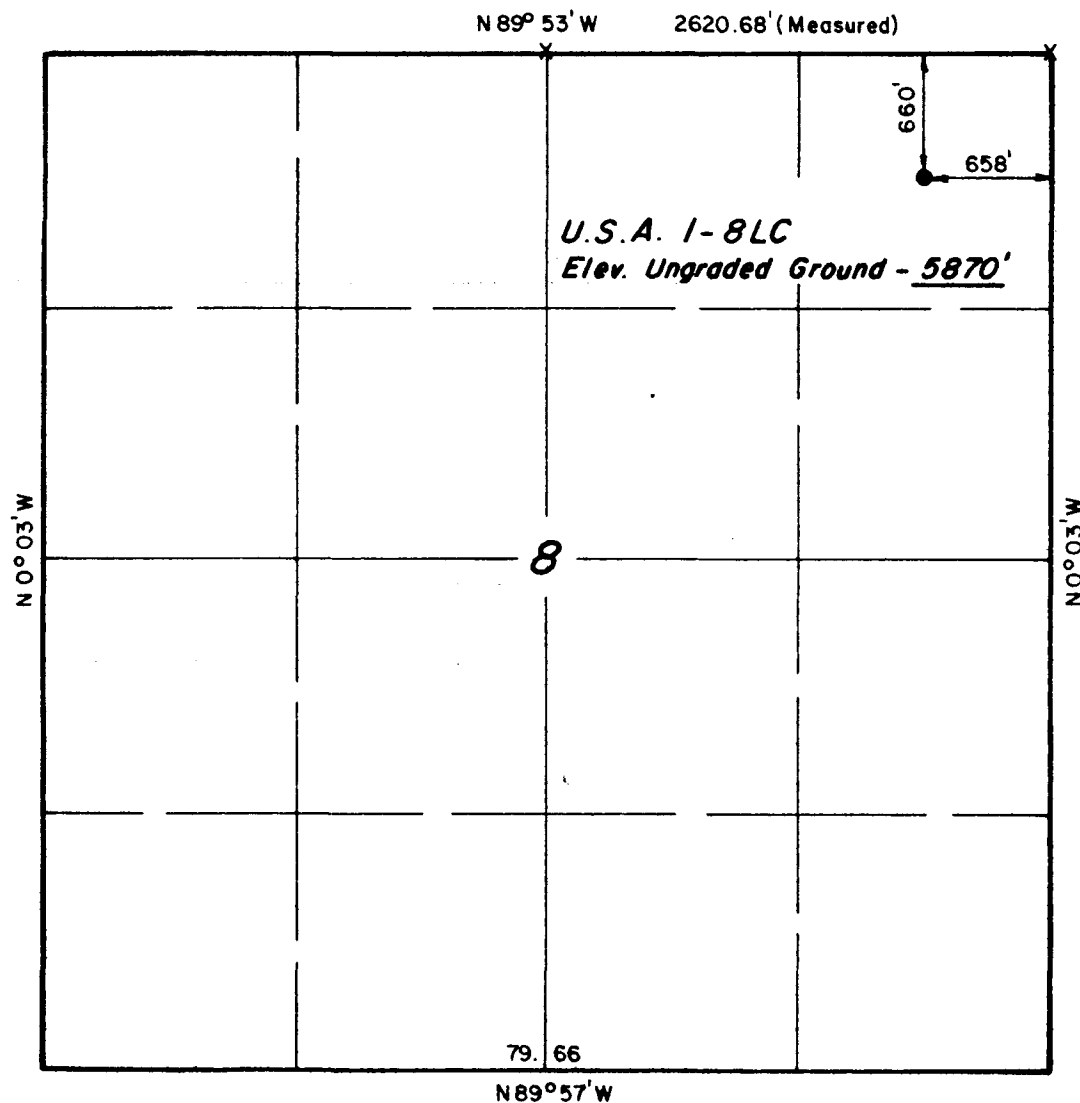


EXHIBIT "A"

RECEIVED

JUL 08 1985

DIVISION OF OIL
GAS & MINING



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

Jane Stewart

REGISTERED LAND SURVEYOR
REGISTRATION NO 3154
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
P.O. BOX Q ~ 85 SOUTH - 200 EAST
VERNAL, UTAH - 84078

SCALE	1" = 1000'	DATE	6/29/85
PARTY	BW RPGL RP	REFERENCES	GLO Plat
WEATHER	Hot / Clear	FILE	COORS

X = Section Corners Located

COORS ENERGY COMPANY

U.S.A. 1-8LC

SCALE: 1" = 50'
DATE: 6/29/85

EXISTING ROAD

5881.24'
C-11.4 TO Loc. GRADE
C-23.4 TO BOTTOM OF PIT.

5871.34'
C-1.5 TO Loc. GRADE
C-13.5 TO BOTTOM OF PIT.

Rock &
Soil
Spoils.

RESERVE PIT
PIT GRADE = 5857.88'

5877.43'
C-7.6 GRADE
C-19.6 TO PIT.

5867.20'
F-2.7 GRADE
C-9.3 PIT BOTTOM.

5864.38'
F-S.S.

5877.57'
C-7.7

5867.52'
F-2.4

5871.90'
C-2.0

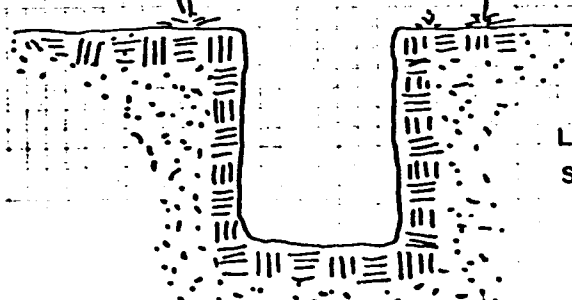
5866.96'
F-2.9

5864.07'
F-S.8

TOPSOIL & TREES

SOILS LITHOLOGY

No Scale



LIGHT. BROWN
SANDY CLAY

PROPOSED
ACCESS
ROAD

C
R
O
S
S
S
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C
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N
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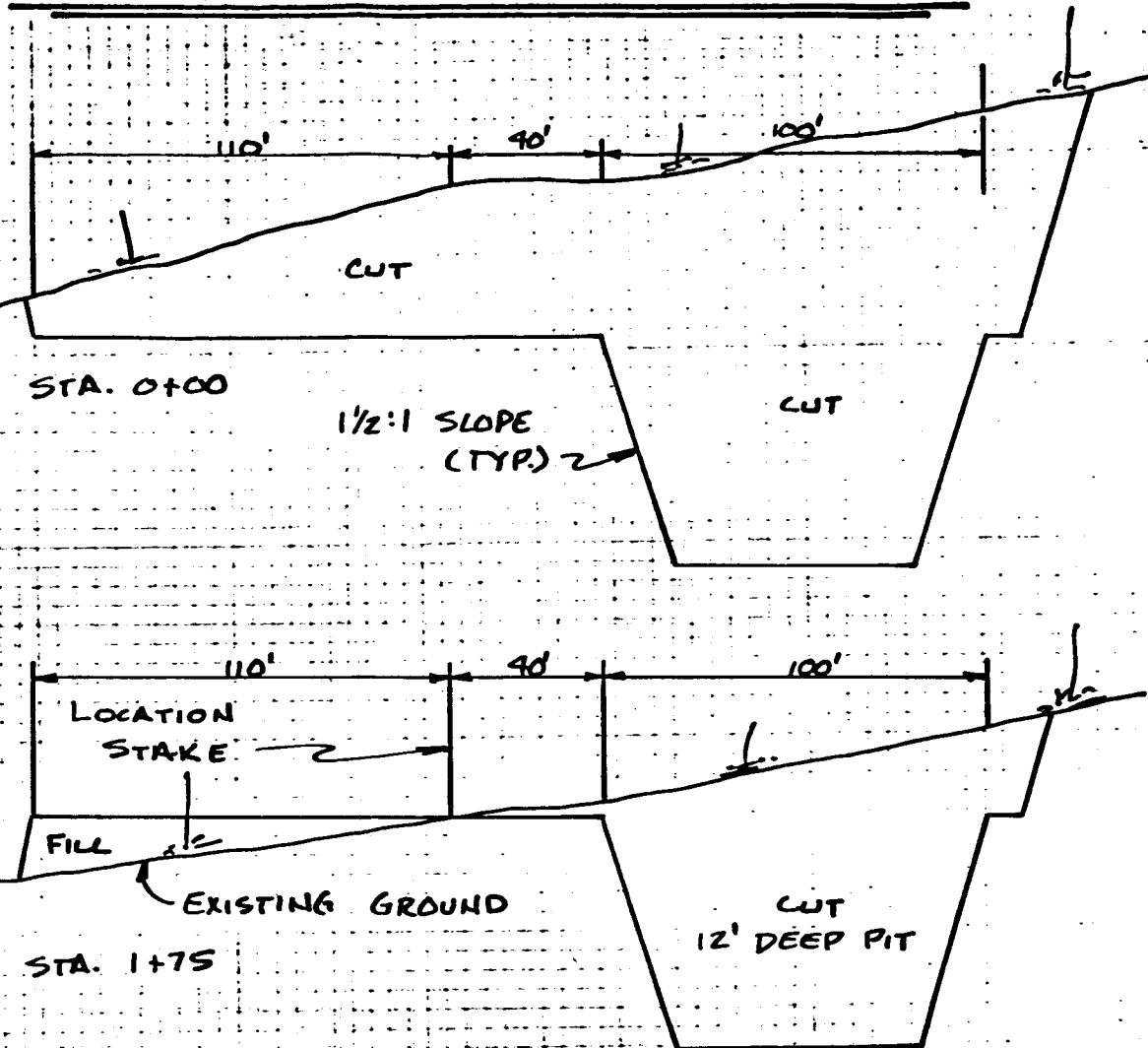
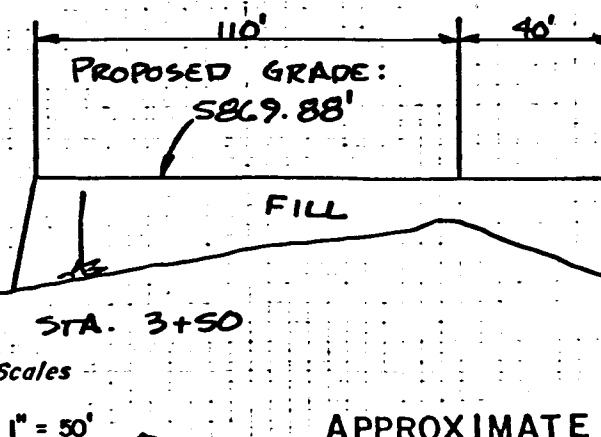


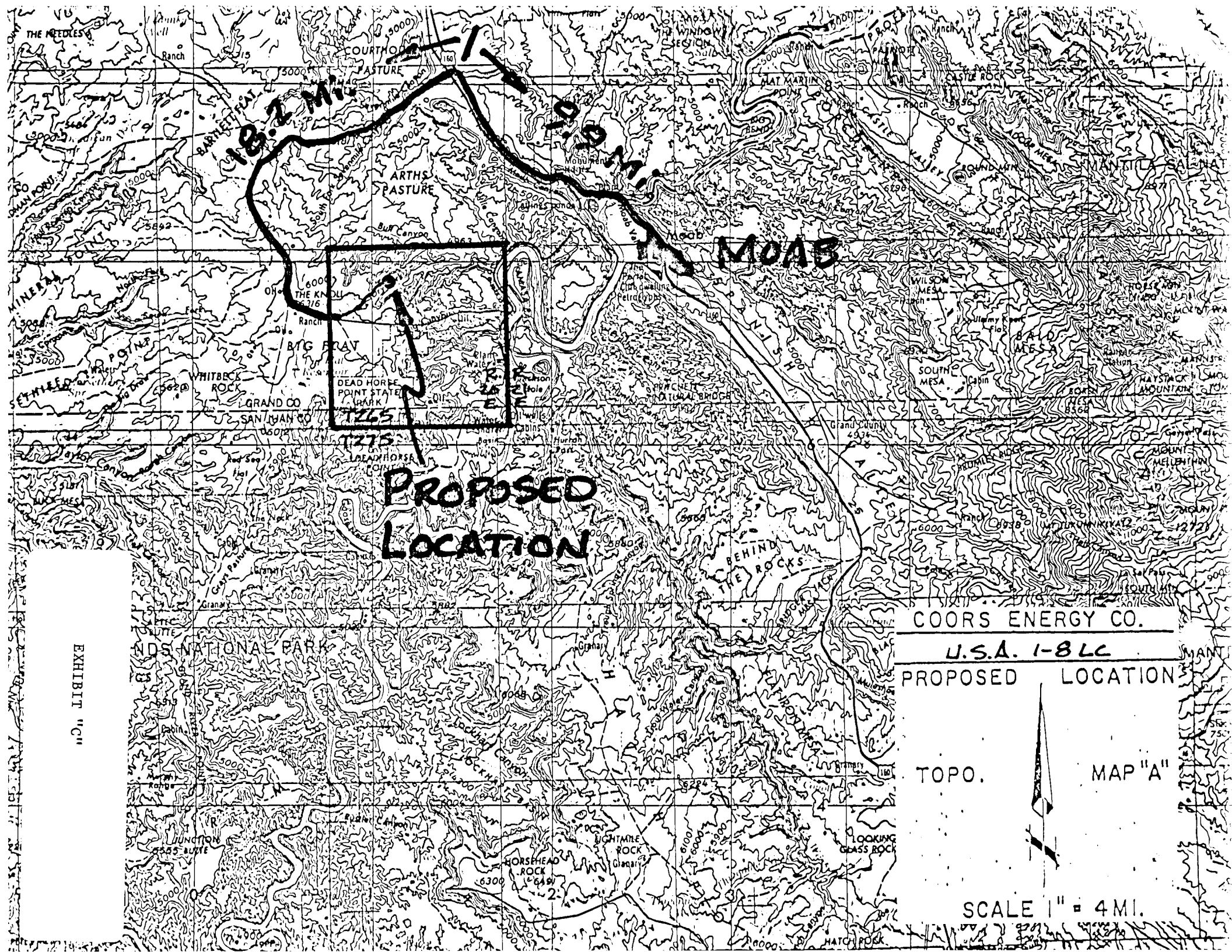
EXHIBIT "B"



APPROXIMATE YARDAGES

Cu. Yds. Cut - 8165 WITHOUT PIT.
17,455 WITH PIT.

Cu. Yds. Fill - 4,065
20% COMPACTION FACTOR



THE NEEDLES

Ranch

COURTHOUSE PASTURE

ARTHUR PASTURE

MOAB

PROPOSED
LOCATION

COORS ENERGY CO.

U.S.A. 1-8 L.C.

PROPOSED LOCATION

TOPO.

MAP "A"

SCALE 1" = 4 MI.

EXHIBIT "C"

Pent
minus

COORS ENERC CO.

UTAH-GRAND CO.

109°45'

GEOL
CAL SURVEY

U.S.A. 1-8 LC

PROPOSED LOCATION

TOPO.

MAP "B"

SCALE 1" = 2000'

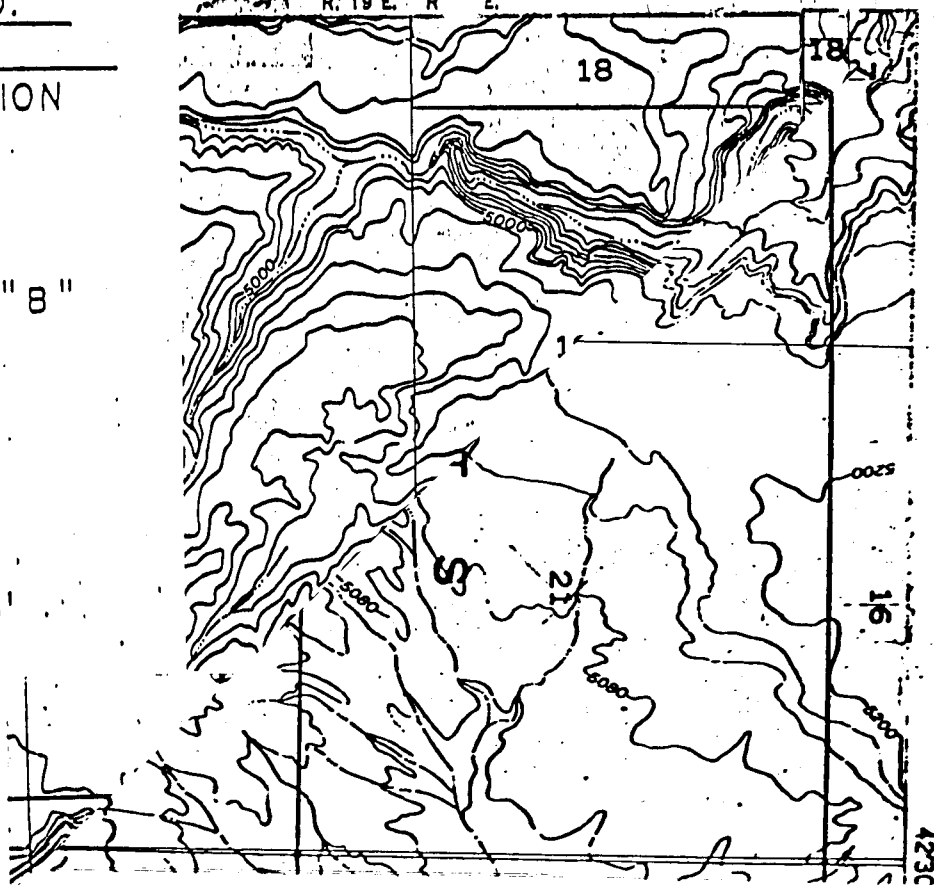


EXHIBIT "D"

COORS ENERC CO.

U.S.A. 1-8 LC
PROPOSED LOCATION

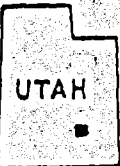
TOPO.

MAP "B"

SCALE 1" = 2000'

ROAD CLASSIFICATION

Light duty road, all weather, Improved surface
Unimproved road fair or dry weather



QUADRANGLE LOCATION

MOAB, UTAH

23.6 Mi. E

R 19 E
R 20 E

T 25 S
T 26 S

Proposed
Access Road
200' E

PROPOSED LOCATION
U.S.A. 1-8 LC

1.4
Mi.

1.3
Mi.

1.7
Mi.

Houses
Oil Well

The Knoll
VABM 6316

Little Valley
Barn

Landing Strip

Reservoir

Valley

VABM
6145

MULTIPOINT SURFACE USE PLAN

COORS ENERGY COMPANY
COORS USA 1-8LC
NE/4NE/4, 660'FNL, 658'FEL
SECTION 8, T26S-R20E
GRAND COUNTY, UTAH

RECEIVED

JUL 08 1985

DIVISION OF OIL
GAS & MINING

Coors Energy Company will assure that this APD will be posted in the doghouse of the drilling rig during the drilling of this well. Also, a sign will be posted at the entrance to the location with the name of the well, operator and location description. We will notify the BLM in Moab, Utah 48 hours prior to beginning any work on this land. Prior to starting surface construction operations, the dirt contractor shall have a completed approved copy of this APD.

1. EXISTING ROADS - See Exhibits C, D

Access to Coors USA 1-10LC begins at the City of Moab, Utah and proceeds along the following roads with approximate mileages as indicated:

Proceed northerly from Moab, Utah on Highway 160 for 9.9 miles to the Junction of Seven-Mile Canyon Road, turn west and proceed southwesterly along this road approximately 13.7 miles to an intersection called the Knoll, turn east and proceed southeasterly along this road 1.4 miles to a State owned road, proceed along this road approx. 1.3 miles to a State roadway to the north, proceed northeasterly along this road 1.7 miles to the entrance of the access road to the south. See attached Exhibit D.

Coors Energy Company and our subcontractors will not use Long Canyon to access our wellsite as per BLM instructions.

Road maintenance from the County Road to the well will be provided by a Coors Energy Company subcontractor. Maintenance will consist of periodic grading and repairs to the surface. During summer months, a watering program will be used to control dust. Rain and other inclement weather may require repairs to turnouts, waterbars, etc.

Materials for upgrading the existing road will come from the immediate area of road improvement work. Improvement and maintenance of existing roads will be done according to BLM, Class III Road Standards.

Upgraded existing roads will be constructed with an 16' road surface with bar ditches and water bars where required. Not over 20' will be cleared to upgrade any existing roads.

2. PLANNED ACCESS ROAD - See Exhibits C, D

The access road will be approximately 200'+ long. It is to be upgraded to 16' wide and not extending to more than 20' wide, (8-10' on either side of the centerline). This access road will be built to Class III Road Standards. The access road will require low water drainage and dips. Back slopes along the cut areas of the road will be 1-1/2 - 1/4% and terraced where cuts are needed. There are no fences encountered along the proposed access road. Roads will be smooth, free of ruts, chuckholes, rocks, slides, etc. Shoulders will be straight and have no berms. In the event this well would need to be P&A'd, the access road will be rehabilitated within 60 days of dismantling the rig, but in the event the road could not be rehabilitated within 60 days, the BLM in Moab will be notified.

Any trees encountered in the construction of the access road, will be dozed to the side of the road.

3. LOCATION OF EXISTING WELLS - See Exhibit E

Within a 2-mile radius of this proposed well, there are 7 P&A wells:

Matthew Federal 1
Davis Oil Co.
Sec. 4, T26S-R20E

Matthew Federal 2
Davis Oil Co.
Sec. 4, T26S-R20E

Skyline Federal 8-44
Minerals Management Co.
Sec. 8, T26S-R20E

No name available
J.E. Roberts Jr.
Sec. 9, T26S-R20E
2134'FSL, 603'FWL

Dry Fork #1
J.E. Roberts Jr.
Sec. 3, T26S-R20E

Big Flat Unit #7
Calvert Western Exploration
Sec. 6, T26S-R20E

Long Canyon Unit #2
Southern Natural Gas Co.
Sec. 9, T26S-R20E

Within a 2-mile radius of this proposed well, there are 2 producing wells:

Long Canyon Unit #1
Southern Natural Gas Co.
Sec. 9, T26S-R20E

Skyline Unit 1
Davis Oil
Sec. 5, T26S-R20E

With the exception of the above mentioned wells, there are no:

- a) known water wells
- b) temporarily abandoned wells
- c) disposal wells
- d) injection wells
- e) monitoring or observation wells

Mr. Gardner from the State of Utah, Division of Water Rights in Price, Utah, informed us that there are no water wells within a 2-mile radius of this location.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES - See Exhibits B

Coors does not request approval of surface production facilities at this time. Coors will submit a surface facility plan when the well is proven to be commercial.

For drilling operations, a survey map (Exhibit B) showing rig layout is attached. All necessary surface equipment will be spotted on the 250' x 350' wellsite pad. Access to the wellpad will be from the east.

All garbage and trash will be placed in a trash cage and hauled to an appropriate disposal site. No burning of any trash is expected at the location, however in the event that burning may be required, a permit will be obtained from the State Fire Warden at 801-259-6316.

Any disturbed area not required for producing operations will be restored according to BLM instructions. The production facilities will create no additional surface disturbances. The drilling waste pit will be fenced on three sides with 36" woven sheep wire with three strands of barbed wire on top of the sheep wire. Upon completion of the drilling operations, the fourth side will be fenced. The reserve pit will be lined with clay or plastic to prevent seepage if the BLM representative so determines it necessary during the construction phase of the operation. The mud reserve pit, which is approximately 250' x 100', will be located on the northwest side of the drill site.

Trash, litter and construction materials will not be littered along road ways or drilling sites.

If the inspector finds it necessary to line the pit during the construction phase of drilling, produced waste water will be confined to a lined pit, for a period not to exceed ninety days after initial production. During this period, an application for approval of a permanent disposal method and location, along with a required water analysis, will be submitted to the District Manager's office.

5. LOCATION AND TYPE OF WATER SUPPLY

The source of the water used to drill this well will be hauled in approximately 37 miles by truck from the Colorado River from the north side of Moab. Coors will ensure that the water hauler has an approved State of Utah permit to appropriate water prior to beginning drilling operations. Approximately 6000 bbls of water will be required to drill and complete this well.

6. SOURCE OF CONSTRUCTION MATERIALS - See Exhibit B

The top 6-12" of topsoil will be removed from the well pad and stored on the sides of the location. Fill materials needed to construct the location will be derived locally from cuts needed to build the well pad.

7. METHODS FOR HANDLING WASTE DISPOSAL

A mud reserve pit will be constructed for containment of drill cuttings as well as all drilling fluids and produced fluids. Produced waste fluids will be contained in a pit constructed in a chemical-type toilet. All trash and garbage will be placed in a trash cage and hauled from the location to an appropriate disposal site. The pit will be fenced as per statements in Section 4.

During production operations, all produced waters will be disposed of according to NTL-2B stipulations.

The reserve pit will be lined. An inspection will determine whether to use liner or bentonite. The reserve pit will be allowed to dry and then back-filled and the area restored according to BLM requirements upon completion of the well.

8. ANCILLARY FACILITIES

None will be required.

9. WELL SITE LAYOUT - See Exhibit B

Attached is a diagram showing the proposed wellsite layout.

10. PLANS FOR RESTORATION OF SURFACE - See Exhibit B

Surface vegetation scraped off during drill site preparation will be removed and stock-piled prior to topsoil removal. Upon abandonment, vegetation will be redistributed as a mulching agent over the well site. The top 6-12" of topsoil will be removed from the well pad and stored on the east side of the location as shown on Exhibit "B". Rock and soil spoils will be stored on the west side of the location.

The reserve pit and that part of the location not needed for production operations will be reclaimed within 90 days after completion of the well.

The original surface will be reconstructed as close as possible upon abandonment. The stock-piled topsoil will be spread over the area. Any solid waste material present prior to abandonment will be removed from the location. Any oil or deleterious liquids will be removed by a pump truck to an approved disposal area.

Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all trash will be removed. The access road will also be blocked during restoration. Prior to reseeding, all disturbed areas, including the access road will be scarified and left with a rough surface. The reserve pit and that part of the location not needed for production will be reclaimed in the same manner outlined in this section. The rehabilitated access road will be blocked to prevent any vehicle use.

Before starting reclamation work that involves earthmoving equipment, and upon completion of restoration measures, Coors Energy Company will notify the Grand Resource Area at 801-259-8193, 48 hours in advance.

All disturbed areas will be recontoured to the approximate natural contours and the stockpiled topsoil will be evenly distributed over the disturbed areas.

Coors Energy Company will use a seed mixture that will be supplied to us upon approval of this APD. We will notify the BLM 48 hours before rehabilitating the surface. This mixture will be broadcast or drilled and planted at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

11. OTHER INFORMATION - See Exhibits F, G, H, I

The Coors USA 1-8LC is located approximately 23.6 miles west of Moab, Utah. There are no occupied dwellings within approximately two (2) miles of the well site. The area surrounding this location is a desert to semi-desert environment. Coors Energy Company received an archeological clearance 7/1/85, a copy of the report is attached. (See Exhibit "I"). If any cultural resources are found during construction, all work will stop and the BLM will be notified.

It is Coors Energy Company's policy that no Coors' employees nor subcontractors carry firearms on access roads nor onto the location during drilling or well completion operations of this well. No alcoholic beverages or drugs will be permitted on Coors' operations on this property, nor will any prospecting will be allowed on Coors' operations.

A copy of the BLM Stipulations is attached to the application, (See Exhibit "H") and our Special BOP Instructions, (See Exhibit "F").

All operators, subcontractors and vendors will be confined to established roads and wellsites.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.

The BLM in Moab will be notified of construction work, spud, suspended operations, resumption of operations, monthly report of operations, spills, blowouts, leaks, etc, MI replacement rig for completion operations, first production, well abandonment, and venting of gas.

If the well needs to be plugged, a regulation marker will be constructed to standard oilfield dimensions and completed according to the attached BLM specifications.

Drilling rig can move in and out only on weekdays.

BLM ROW: Note that on the stipulations attached dated 6/27/85, it was requested that Coors contact Mr. Jim Ward at 801-259-8193 for Federal ROW information. On 7/2/85, Mr. Ralph Nelms contacted him and at that time, Mr. Ward expressed his opinion that after further research, Coors did not need a Federal ROW for this well because new road construction would only be required on existing Coors' leased land in Sections 8 and 17 of T26S-R20E.

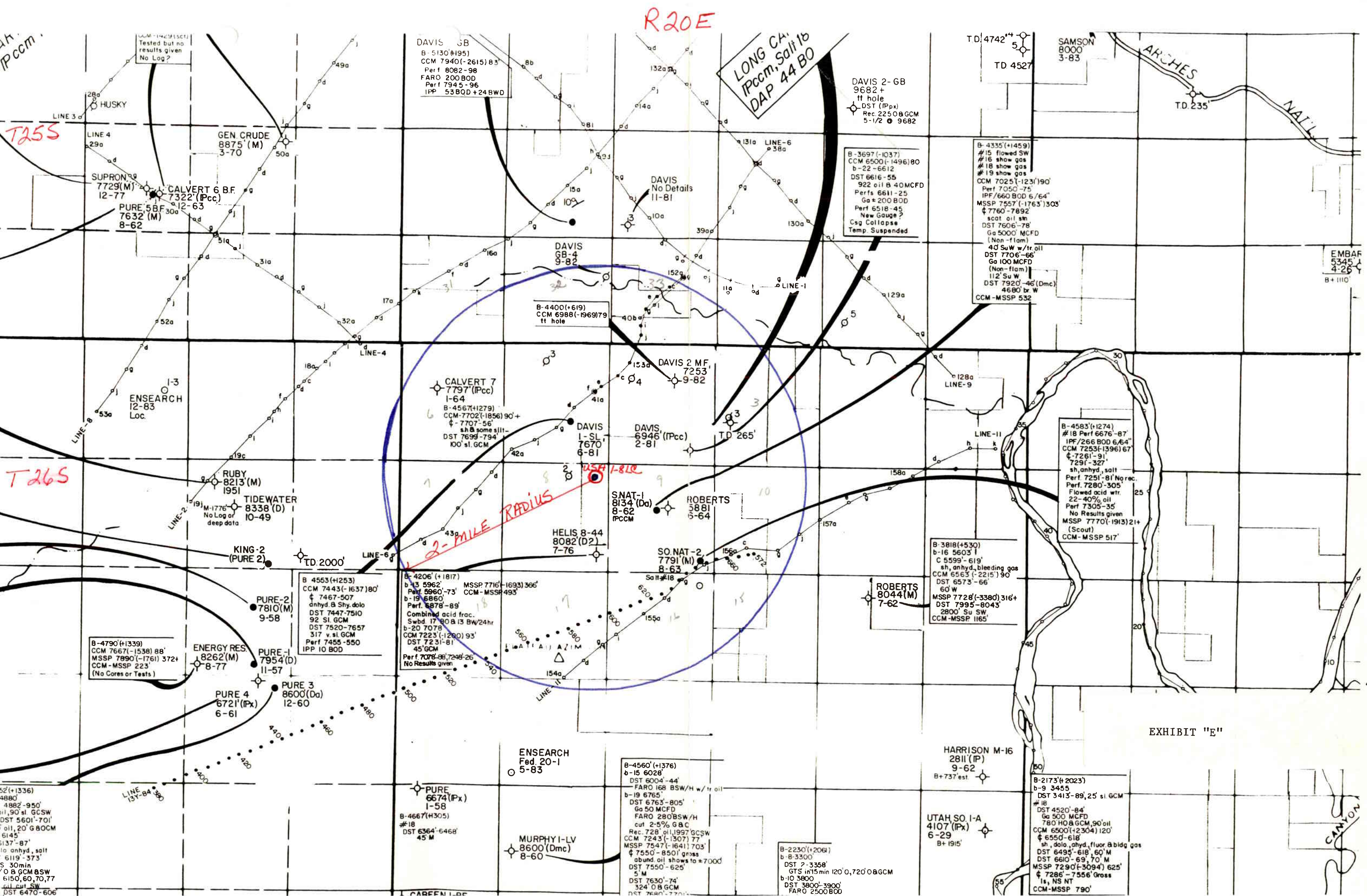
12. CONTACT

Mr. Jake Amen
Field Supervisor
Oil & Gas Operations
Coors Energy Company
825 First Avenue
Grand Junction, Colorado 81501
(303) 245-8672

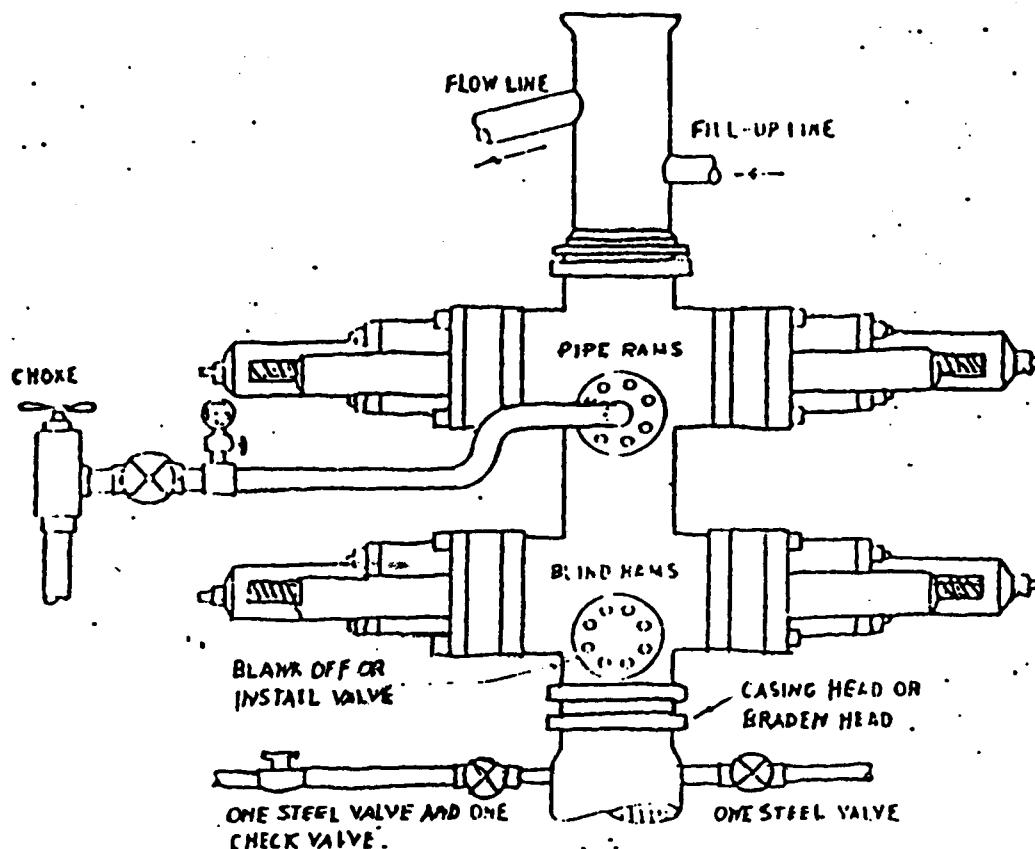
Mr. R. L. Martin
Vice President
Oil & Gas Operations
Coors Energy Company
PO Box 467
Golden, Colorado 80402
(303) 278-7030

13. CERTIFICATION

See Exhibit "G"



SPECIAL BOP INSTRUCTIONS



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- A. One double gate blowout preventer with lower rams blind and upper rams for pipe, all hydraulically controlled, opening on preventers between rams.
- B. Opening to be flanged, studded or clamped and at least two inches diameter.
- C. All connections from operating manifold to preventers to be all steel hose or tube a minimum of one inch in diameter.
- D. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the preventers.
- E. All connections to and from preventers to have a pressure rating equivalent to that of the BOPs.
- F. Manual controls to be installed before drilling cement plug.
- G. Valve to control flow through drill pipe to be located on Rig floor.
- H. Choke may be either positive or adjustable.
A choke spool may be used between preventers.
- I. Casinghead or bradenhead flange will be 10" API Series 900
- J. After each string of casing is run, BOP and casinghead will be tested to 1000 psi.
Pipe ram operation will be checked every 24 hours & blind rams checked every trip.



CERTIFICATION BY OPERATOR'S FIELD REPRESENTATIVE

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access road; that I am familiar with the conditions that presently exist; that the statements made in this plan are, to the best of my knowledge, true, complete, and correct; and that the work associated with this plan will be carried on by Adolph Coors Company, and its contractors and subcontractors, in conformity with the plan and the terms and conditions under which it is approved.

Date

7-5-85

R. L. Martin

Vice President, Oil & Gas Production

kr

UT-060-3160-1
(April 1984)

BUREAU OF LAND MANAGEMENT
MOAB DISTRICT
CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company Coors Energy Co Well No. 1-86c
Location: Sec. 8 T. 26 S R. 20 E Lease No. U-47990
Onsite Inspection Date 06/27/85

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops:

Triassic Wingate Sand:	Spud	Top Paradox Salt:	4350'
Triassic Chinle:	350'	Cane Creek:	7250'
Moenkopi:	800'	Base Paradox Salt:	7600'
Coconino:	1200'	Mississippian:	7800'
Outler:	1300'	Devonian Elbert:	8175'
Hermosa:	2700'	TD:	8200'
Paradox:	4000'	(approximate footages)	

2. Estimated Depth at Which Oil, Gas, Water, or Mineral-Bearing Zones Are Expected to Be Encountered:

	<u>Formation</u>	<u>Depth</u>
Expected oil zones:	Cane Creek	7250'
	Mississippian	7800'
Expected gas zones:	Inert gas in Mississippian	7800'
Expected water zones:	No fresh water zones	
	Over pressured salt water flows:	6000-7600'
Expected mineral zones:	Salt-Paradox:	4350-7600'

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth, cased and cemented. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment: Well will be drilled from 400' to 4400' w/air mist. Therefore, a rotating air head will be used with 3000# WP 6000 psi test wellhead equipment. From 4400-7600' high pressured salt water flows may be encountered. Therefore, 5000# WP 10,000# test wellheads and BOP's will be installed. A double ram BOP w/blind rams and pipe rams will be used with a TIW valve on surface.

2.

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventors will be pressure-tested before drilling casing cement plugs. ~~The Resource Area will be notified _____ days in advance when pressure tests are to be conducted.~~

4. Casing Program and Auxiliary Equipment:

0-400' 16" 65.00# H-40 STC
400-4400' 10-3/4" 51.00# K-55 STC
4400-7700' 7" 23# N-80 LTC
7700-8200' 4-1/2" 11.60# N-80 LTC

Anticipated cements tops will be reported as to depth, not the expected number of sacks. The Resource Area (will/~~will not~~) be notified _____ days in advance when running casing strings and cement.

5. Mud Program and Circulating Medium: 20" surface hole drilled w/spud mud to 400', 14-3/4" intermediate casing drilled to 4400' w/air mist, 4% KCL gel and caustic soda as per mud company recommendations. 9-5/8" intermediate drilled to 7700' w/salt saturated mud weight up to 11#/gal and increase mud weight as needed to contain high pres. salt water flows. 6-1/4" production hole to 8200' w/9-9.5#/gal low solids non-dispersed mud. Blooie line will be misted to reduce fugitive dust when air drilling.

6. Coring, Logging, and Testing Program: DST may be run in Cane Creek or Mississippian. Conventional logs will be run from 4000-8200'. FDC-CNL-GR-SP-DIL, etc.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cutting, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards: 400-4400' has potential for severe lost circulation. Therefore, 14-3/4" hole will be drilled with air mist. 4400-7600' has potential for over pressured salt water flows in Paradox Salt. 7600-8200' is under balanced in the Mississippian, potential for lost circulation and inert gas kicks is present.

3.

8. Anticipated Starting Dates and Notification of Operations:

The operator will contact the Grand Resource Area at 801-259-8193, forty-eight (48) hours prior to beginning any dirt work on this location.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.

The spud date (will will not) be reported orally to the Area Manager within a minimum of twenty-four (24) hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed directly with the BLM District Office, P.O. Box 970, Moab, Utah 84532.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.

If the replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed for prior approval of the District Manager, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved by the District Petroleum Engineer.

Should the well be successfully completed for production, the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.

A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be

4. obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed as follows: to standard oil field dimensions

The top of the marker will be closed or capped.

The following minimum information will be permanently placed on the marker plate, cap or beaded-on with a welding torch:

"Fed" or "Ind", as applicable, "Well Number, location by 1/4 1/4 section, township and range". "Lease Number".

Other: _____

B. THIRTEEN-POINT SURFACE USE PLAN

1. Existing Roads:

- a. Location of proposed well in relation to town or other reference point:

Approx. 24 miles west of Moab

- b. Proposed route to location:

See our Multipoint Plan on Page 1 and Exhibits C & D

- c. Plans for improvement and/or maintenance of existing roads:

upgrade to class III BLM Road Standards

* need to contact Jim Ward - 801-251-8193 for Federal ROW info

5.

d. Other: _____

2. Planned Access Roads:

a. The maximum total disturbed width will be 20 feet.

b. Maximum grades:

c. Turnouts: none planned

d. Location (centerline):

e. Drainage: low water and drainage dips

f. Surface Materials:

g. Other: built to class III standards
similar to ROW.

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.

The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells:

See Exhibit G and our Multipoint Plan on Page 2

6.

4. Location of Tank Batteries and Production Facilities:

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows:

Coors does not request approval of surface production facilities at this time.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

All loading lines and valves will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement

✓ 5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from:
Colorado River north of Moab by truck, see Page 4 of our Multipoint Plan.

7. A temporary water use permit for this operation will be obtained from the Utah State Engineer:

Our water hauler will have this permit.

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from:

Fill materials needed to construct the location will be derived locally from cuts needed to build the well pad.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3. Source of construction material (will/will not) be located on lease.

7. Methods of Handling Water Disposal:

The reserve pit (will/will not) be lined" if the BLM representative or determines it necessary during the construction phase of the operation

Three sides of the reserve pit will be fenced with 3-strand barbed wire before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

All trash must be contained and disposed of by: trash cage

If burning is required, a permit will be obtained from the State Fire Warden 801-259-6316.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

Other: lining will be necessary if after an inspection of the pit during construction, the inspector finds it necessary

8. Ancillary Facilities:

Camp facilities (will/will not) be required. They will be located:

9. Well Site Layout:

The reserve pit will be located:

to the northwest

The top 6 to 12 inches of soil material will be removed from the location and stockpiled separately on

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be from:

enter from the east of station 7

The trash pit will be located:

10. Plans for Restoration of Surface:

Immediately upon completion of drilling, the location, and surrounding areas will be cleared of all remaining debris, materials, trash, and junk not required for production.

Before any dirt work to restore the location and surrounding area will be cleared of all remaining debris, materials, trash and junk not required for production.

The operator or his contractor (will/will not) notify the Ground Resource Area at 801-259-8193 forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

All disturbed areas will be recontoured to the approximate natural contours.

The stockpiled topsoil will be evenly distributed over the disturbed areas.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used:

Supplied upon submission of APD; will
be on the appraisal / or

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Additional Requirements:

11. Surface and Mineral Ownership:

Federal surface and minerals ownership, lease #U-47990

12. Other Information:

There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.

The dirt contractor will be provided with an approved copy of the surface use plan.

A cultural resource clearance (~~will~~/will not) be required before any construction begins. If any cultural resources area found during construction, all work will stop and the Area Manager will be notified.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. Leessee's Operator's Representative and Certification

Representative:

Name: _____

Address: _____

Phone No: _____

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed

by: _____ and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date Name and Title

ONSITE

DATE: 06/27/85

PARTICIPANTS:

TITLES:

Jeff Robbins
John Allen

BLM
Coors Energy Co.

Your contact with the District Office is: Greg Noble

Office Phone: 801-259-6111

City: Moab

State: Utah

Resource Area Manager's address and contacts are:

Address: Box M, Sand Flats Rd, Moab, Utah

Your contact is: JEFF Robbins

Office Phone: 801-259-8193

Coors Energy Company
Well No. Long Canyon USA 1-8LC
NENE Sec. 8, T. 26 S., R. 20 E.
Grand County, Utah
Lease U-47990

CONDITIONS OF APPROVAL

A. DRILLING PROGRAM

1. Cement will be to surface behind surface casing.
2. Any casing liner will have at least 100' overlap.
3. All casing strings will be tested to .2 psi/ft., or 1000 psi, whichever is greater.
4. All pressure tests will be recorded in the driller's log.

OPERATOR Goose Energy Co. DATE 7-11-85
WELL NAME U.S.A. 1-82C
SEC NE NE 8 T 26S R 20E COUNTY Grand

43-019-31191
API NUMBER

Lease
TYPE OF LEASE

CHECK OFF:



PLAT



BOND



NEAREST WELL



LEASE



FIELD



POTASH OR
OIL SHALE

PROCESSING COMMENTS:

NO other wells within 1000'

Need water permit

APPROVAL LETTER:

SPACING:



A-3

UNIT



c-3-a

CAUSE NO. & DATE



c-3-b



c-3-c

STIPULATIONS:

1- Water

2- Potash stip. (Rule 6-23)



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

July 15, 1985

Coors Energy Company
P. O. Box 467
Golden, Colorado 80402

Gentlemen:

Re: Well No. USA 1-8LC - NE NE Sec. 8, T. 26S, R. 20E
660' FNL, 658' FEL - Grand County, Utah

Approval to drill the above-referenced oil well is hereby granted in accordance with Rule C-3 (b), General Rules and Regulations and Rules of Practice and Procedure, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water.
2. Special attention is directed to compliance with Rule C-23 of the General Rules and Regulations and Rules of Practice and Procedure which prescribes drilling procedures for designated potash areas.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.
4. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.

Page 2
Coors Energy Company
Well No. USA 1-8LC
July 15, 1985

5. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-019-31191.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals

RECEIVED

AUG 07 1986

**3162 (U-065)
(U-47990)**

**DIVISION OF OIL
GAS & MINING**

**Moab District
P. O. Box 970
Moab, Utah 84532**

AUG - 6 1986

**Coors Energy Company
P. O. Box 467
Golden, CO 80402**

081106

**Re: Rescinding Application for
Permit to Drill
Well No. USA 1-8LC
Sec. 8, T. 26 S., R. 20 E.
Grand County, Utah
Lease U-47990**

Gentlemen:

The Application for Permit to Drill the referenced well was approved on July 18, 1985. Since that date, no known activity has transpired at the approved location.

Applications for permit to drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application.

Should you intend to drill this location at a future date, a new application for permit to drill must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals at (801) 259-6111.

Sincerely,

/S/ GENE NODINE

District Manager

cc:

**State of Utah, Division of Oil, Gas and Mining ✓
Grand Resource Area**

bcc:

U-942, Utah State Office

CFreudiger/cf 8/5/86



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

August 13, 1986

Coors Energy Company
P.O. Box 467
Golden, Colorado 80402

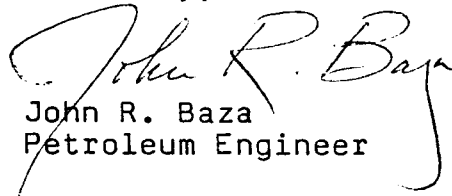
Gentlemen:

RE: Well No. U.S.A. # 1-8LC, Sec.8, T.26S, R.20E,
Grand County, Utah, API NO. 43-019-31191

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,


John R. Baza
Petroleum Engineer

sb
cc: BLM-Moab
D. R. Nielson
R. J. Firth
Well file
0278T-94